

EXHIBIT A

MEMORANDUM OF AGREEMENT

<p>Norwegian Shipbrokers' Association's Memorandum of Agreement for sale and purchase of ships. Adopted by BIMCO in 1956. Code-name SALEFORM 2012 Revised 1966, 1983 and 1986/87, 1993 and 2012</p>
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Explanatory Notes for SALEFORM 2012 are available from BIMCO at www.bimco.org

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Dated: **1 February** 2019 1

Advantage Spring Shipping LLC (~~Name of sellers~~), hereinafter called the "Sellers", have agreed to sell, and 2

Fleetscape Spring, LLC (~~Name of buyers~~), hereinafter called the "Buyers", have agreed to buy: 3

Name of vessel: **m.v. "ADVANTAGE SPRING"** 4

IMO Number: **9466582** 5

Classification Society: **DNV GL** 6

Class Notation: **1A1 Tanker for oil BIS BMON CSR E0 ESP NAV-O SPM TMON VCS(2,B)** 7

Year of Build: **2010** Builder/Yard: **Rongsheug** 8

Flag: **Marshall Islands** Place of Registration: **Majuro** GT/NT: **83,805/49,031** 9

hereinafter called the "Vessel", on the following terms and conditions: 10

Definitions (See also Additional Clause 23 (Further definitions)) 11

"Banking Days" are days on which banks are open both in the country of the currency stipulated for 12

the Purchase Price in Clause 1 (Purchase Price) and in the place of closing stipulated in Clause 8 13

(~~Documentation~~ **Conditions Precedent**) and ~~_____ (add additional jurisdictions as appropriate).~~ 14

"Buyers' Nominated Flag State" means **Marshall Islands** (*state flag state*). 15

"Class" means the class notation referred to above. 16

"Classification Society" means the Society referred to above. 17

~~"Deposit" shall have the meaning given in Clause 2 (Deposit)~~ 18

~~"Deposit Holder" means _____ (state name and location of Deposit Holder) or, if left blank, the~~ 19

~~Sellers' Bank, which shall hold and release the Deposit in accordance with this Agreement.~~ 20

"In writing" or "written" means a letter handed over from the Sellers to the Buyers or vice versa, a 21

registered letter, e-mail or telefax. 22

"Parties" means the Sellers and the Buyers. 23

"Purchase Price" means the price for the Vessel as stated in Clause 1 (Purchase Price). 24

"Sellers' Account" means **such account in the name of the Sellers** (~~state details of bank account~~) at the 25

Sellers' Bank **notified by the Sellers to the Buyers in writing at least five (5) Banking Days prior to the**

intended Utilisation Date for the relevant Tranche (each as defined in the Senior Loan Agreement

referred to in Additional Clause 23 (Further definitions)).

"Sellers' Bank" means [] (*state name of bank, branch and details*) or, if left blank, the bank 26

notified by the Sellers to the Buyers for receipt of the balance of the Purchase Price (**less the Seller's Credit**) 27

[SH NOTE: ADVANTAGE TO CONFIRM].

1. Purchase Price 28

The Purchase Price is **USD 30,825,000 Thirty Million, Eight Hundred and Twenty Five Thousand** 29

United States Dollars (*state currency and amount both in words and figures*).

2. Deposit 30

~~As security for the correct fulfilment of this Agreement the Buyers shall lodge a deposit of~~ 31

~~_____ % (_____ per cent) or, if left blank, 10% (ten per cent), of the Purchase Price (the~~ 32

~~"Deposit") in an interest bearing account for the Parties with the Deposit Holder within three (3)~~ 33

~~Banking Days after the date that:~~ 34

(i) ~~this Agreement has been signed by the Parties and exchanged in original or by~~ 35

~~e-mail or telefax; and~~ 36

(ii) ~~the Deposit Holder has confirmed in writing to the Parties that the account has been~~ 37

~~opened.~~ 38

~~The Deposit shall be released in accordance with joint written instructions of the Parties.~~ 39

Interest, if any, shall be credited to the Buyers. Any fee charged for holding and releasing the Deposit shall be borne equally by the Parties. The Parties shall provide to the Deposit Holder all necessary documentation to open and maintain the account without delay.

3. Payment

On delivery of the Vessel, but not later than three (3) Banking Days after the date that Notice of Readiness has been given in accordance with Clause 5 (Time and place of delivery and notices):

(i) — the Deposit shall be released to the Sellers; and

(ii) — the balance of the Purchase Price and all other sums payable on delivery by the Buyers to the Sellers under this Agreement shall be paid in full free of bank charges to the Sellers' Account.

(Please see Additional Clause 21 (Payment))

4. Inspection

(a)* The Buyers have inspected and accepted the Vessel's classification records. The Buyers have also inspected the Vessel at/in _____ (state place) on _____ (state date) and have accepted the Vessel following this inspection and the sale is outright and definite, subject only to the terms and conditions of this Agreement.

(b)* The Buyers shall have the right to inspect the Vessel's classification records and declare whether same are accepted or not within _____ (state date/period).

The Sellers shall make the Vessel available for inspection at/in _____ (state place/range) within _____ (state date/period).

The Buyers shall undertake the inspection without undue delay to the Vessel. Should the Buyers cause undue delay they shall compensate the Sellers for the losses thereby incurred.

The Buyers shall inspect the Vessel without opening up and without cost to the Sellers.

During the inspection, the Vessel's deck and engine log books shall be made available for examination by the Buyers.

The sale shall become outright and definite, subject only to the terms and conditions of this Agreement, provided that the Sellers receive written notice of acceptance of the Vessel from the Buyers within seventy-two (72) hours after completion of such inspection or after the date/last day of the period stated in Line 50, whichever is earlier.

Should the Buyers fail to undertake the inspection as scheduled and/or notice of acceptance of the Vessel's classification records and/or of the Vessel not be received by the Sellers as aforesaid, the Deposit together with interest earned, if any, shall be released immediately to the Buyers, whereafter this Agreement shall be null and void.

**4(a) and 4(b) are alternatives; delete whichever is not applicable. In the absence of deletions, alternative 4(a) shall apply.*

5. Time and place of delivery and notices

(a) The Vessel shall be delivered and taken over safely afloat at a safe and accessible berth or anchorage ~~at/in~~ or at sea within **Trading Limits (as defined in Additional Clause 23 (Further definitions))** (state place/range) in the Sellers' option.

Notice of Readiness shall not be tendered before: _____ (date)

Cancelling Date (see Clauses 5(c), 6 (a)(i), 6 (a) (iii) and 14): **the date falling three (3) months after the date of the Senior Loan Agreement or such later date as the Buyers may agree.**

(b) The Sellers shall keep the Buyers well informed of the Vessel's itinerary and shall provide the Buyers with twenty (20), ten (10), five (5) and three (3) days' notice of the date the Sellers intend to tender Notice of Readiness and of the intended place of delivery.

When the Vessel is at the place of delivery and physically ready for delivery in accordance with this Agreement, the Sellers shall give the Buyers a written Notice of Readiness for delivery.

(c) If the Sellers anticipate that, notwithstanding the exercise of due diligence by them, the Vessel will not be ready for delivery by the Cancelling Date they may notify the Buyers in writing stating the date when they anticipate that the Vessel will be ready for delivery and proposing a new Cancelling Date. Upon receipt of such notification the Buyers shall have the option of either cancelling this Agreement in accordance with Clause 14 (Sellers' Default) within three (3) Banking Days of receipt of the notice or of accepting the new date as the new Cancelling Date. If the Buyers have not declared their option within three (3) Banking Days of receipt of the Sellers' notification or if the Buyers accept the new date, the date proposed in the Sellers'

notification shall be deemed to be the new Cancelling Date and shall be substituted for the Cancelling Date stipulated in line 79. 93
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If this Agreement is maintained with the new Cancelling Date all other terms and conditions hereof including those contained in Clauses 5(b) and 5(d) shall remain unaltered and in full force and effect. 95
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(d) Cancellation, failure to cancel or acceptance of the new Cancelling Date shall be entirely without prejudice to any claim for damages the Buyers may have under Clause 14 (Sellers' Default) for the Vessel not being ready by the original Cancelling Date. 98
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(e) Should the Vessel become an actual, constructive or compromised total loss before delivery the Deposit together with interest earned, if any, shall be released immediately to the Buyers whereafter this Agreement shall be null and void. 101
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6. Divers Inspection / Drydocking 104

(a)* 105

(i) The Buyers shall have the option at their cost and expense to arrange for an underwater inspection by a diver approved by the Classification Society prior to the delivery of the Vessel. Such option shall be declared latest nine (9) days prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement. The Sellers shall at their cost and expense make the Vessel available for such inspection. This inspection shall be carried out without undue delay and in the presence of a Classification Society surveyor arranged for by the Sellers and paid for by the Buyers. The Buyers' representative(s) shall have the right to be present at the diver's inspection as observer(s) only without interfering with the work or decisions of the Classification Society surveyor. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification Society. If the conditions at the place of delivery are unsuitable for such inspection, the Sellers shall at their cost and expense make the Vessel available at a suitable alternative place near to the delivery port, in which event the Cancelling Date shall be extended by the additional time required for such positioning and the subsequent re-positioning. The Sellers may not tender Notice of Readiness prior to completion of the underwater inspection. 106
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(ii) If the rudder, propeller, bottom or other underwater parts below the deepest load line are found broken, damaged or defective so as to affect the Vessel's class, then (1) unless repairs can be carried out afloat to the satisfaction of the Classification Society, the Sellers shall arrange for the Vessel to be drydocked at their expense for inspection by the Classification Society of the Vessel's underwater parts below the deepest load line, the extent of the inspection being in accordance with the Classification Society's rules (2) such defects shall be made good by the Sellers at their cost and expense to the satisfaction of the Classification Society without condition/recommendation** and (3) the Sellers shall pay for the underwater inspection and the Classification Society's attendance. 122
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Notwithstanding anything to the contrary in this Agreement, if the Classification Society do not require the aforementioned defects to be rectified before the next class drydocking survey, the Sellers shall be entitled to deliver the Vessel with these defects against a deduction from the Purchase Price of the estimated direct cost (of labour and materials) of carrying out the repairs to the satisfaction of the Classification Society, whereafter the Buyers shall have no further rights whatsoever in respect of the defects and/or repairs. The estimated direct cost of the repairs shall be the average of quotes for the repair work obtained from two reputable independent shipyards at or in the vicinity of the port of delivery, one to be obtained by each of the Parties within two (2) Banking Days from the date of the imposition of the condition/recommendation, unless the Parties agree otherwise. Should either of the Parties fail to obtain such a quote within the stipulated time then the quote duly obtained by the other Party shall be the sole basis for the estimate of the direct repair costs. The Sellers may not tender Notice of Readiness prior to such estimate having been established. 132
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(iii) If the Vessel is to be drydocked pursuant to Clause 6(a)(ii) and no suitable dry-docking facilities are available at the port of delivery, the Sellers shall take the Vessel to a port where suitable drydocking facilities are available, whether within or outside the delivery range as per Clause 5(a). Once drydocking has taken place the Sellers shall deliver the Vessel at a port within the delivery range as per Clause 5(a) which shall, for the purpose of this Clause, become the new port of delivery. In such event the Cancelling Date shall be extended by the additional time required for the drydocking and extra steaming, but limited to a maximum of fourteen (14) days. 146
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(b)* The Sellers shall place the Vessel in drydock at the port of delivery for inspection by the 154

Classification Society of the Vessel's underwater parts below the deepest load line, the extent of the inspection being in accordance with the Classification Society's rules. If the rudder, propeller, bottom or other underwater parts below the deepest load line are found broken, damaged or defective so as to affect the Vessel's class, such defects shall be made good at the Sellers' cost and expense to the satisfaction of the Classification Society without condition/recommendation**. In such event the Sellers are also to pay for the costs and expenses in connection with putting the Vessel in and taking her out of drydock, including the drydock dues and the Classification Society's fees. The Sellers shall also pay for these costs and expenses if parts of the tailshaft system are condemned or found defective or broken so as to affect the Vessel's class. In all other cases, the Buyers shall pay the aforesaid costs and expenses, dues and fees.

(c) If the Vessel is drydocked pursuant to Clause 6 (a)(ii) or 6 (b) above:

(i) — The Classification Society may require survey of the tailshaft system, the extent of the survey being to the satisfaction of the Classification surveyor. If such survey is not required by the Classification Society, the Buyers shall have the option to require the tailshaft to be drawn and surveyed by the Classification Society, the extent of the survey being in accordance with the Classification Society's rules for tailshaft survey and consistent with the current stage of the Vessel's survey cycle. The Buyers shall declare whether they require the tailshaft to be drawn and surveyed not later than by the completion of the inspection by the Classification Society. The drawing and refitting of the tailshaft shall be arranged by the Sellers. Should any parts of the tailshaft system be condemned or found defective so as to affect the Vessel's class, those parts shall be renewed or made good at the Sellers' cost and expense to the satisfaction of Classification Society without condition/recommendation**.

(ii) — The costs and expenses relating to the survey of the tailshaft system shall be borne by the Buyers unless the Classification Society requires such survey to be carried out or if parts of the system are condemned or found defective or broken so as to affect the Vessel's class, in which case the Sellers shall pay these costs and expenses.

(iii) — The Buyers' representative(s) shall have the right to be present in the drydock, as observer(s) only without interfering with the work or decisions of the Classification Society surveyor.

(iv) — The Buyers shall have the right to have the underwater parts of the Vessel cleaned and painted at their risk, cost and expense without interfering with the Sellers' or the Classification Society surveyor's work, if any, and without affecting the Vessel's timely delivery. If, however, the Buyers' work in drydock is still in progress when the Sellers have completed the work which the Sellers are required to do, the additional docking time needed to complete the Buyers' work shall be for the Buyers' risk, cost and expense. In the event that the Buyers' work requires such additional time, the Sellers may upon completion of the Sellers' work tender Notice of Readiness for delivery whilst the Vessel is still in drydock and, notwithstanding Clause 5(a), the Buyers shall be obliged to take delivery in accordance with Clause 3 (Payment), whether the Vessel is in drydock or not.

*6 (a) and 6 (b) are alternatives; delete whichever is not applicable. In the absence of deletions, alternative 6 (a) shall apply.

**Notes or memoranda, if any, in the surveyor's report which are accepted by the Classification Society without condition/recommendation are not to be taken into account.

7. Spares, bunkers and other items

The Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board and on shore. All spare parts and spare equipment including spare tail-end shaft(s) and/or spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of inspection delivery used or unused, whether on board or not shall become the Buyers' property, but spares on order are excluded. Forwarding charges, if any, shall be for the Buyers' account. The Sellers are not required to replace spare parts including spare tail-end shaft(s) and spare propeller(s)/propeller blade(s) which are taken out of spare and used as replacement prior to delivery, but the replaced items shall be the property of the Buyers. Unused stores and provisions shall be included in the sale and be taken over by the Buyers without extra payment.

Library and forms exclusively for use in the Sellers' vessel(s) and captain's, officers' and crew's personal belongings including the slop chest are excluded from the sale without compensation, as well as the following additional items: _____ (include list)

The items listed in the Schedule to the Additional Clauses are excluded from the sale without

compensation.

Items on board which are on hire or owned by third parties, listed as follows, are excluded from the sale without compensation: ~~_____ (include list)~~ 215

Items on board at the time of ~~inspection~~ **delivery** which are on hire or owned by third parties, not listed above, shall be replaced or procured by the Sellers prior to delivery at their cost and expense. 216
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Any remaining and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums shall remain the property of the Sellers. All bunkers and fuel oil onboard are and shall remain the property of the Sub-Charterers and shall not form part of the sale. 218

The Buyers shall take over remaining bunkers and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums and pay either: 219

(a) *the actual net price (excluding barging expenses) as evidenced by invoices or vouchers; or 220

(b) *the current net market price (excluding barging expenses) at the port and date of delivery of the Vessel or, if unavailable, at the nearest bunkering port; 221
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for the quantities taken over. 223

Payment under this Clause shall be made at the same time and place and in the same currency as the Purchase Price. 224
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"inspection" in this Clause 7, shall mean the Buyers' inspection according to Clause 4(a) or 4(b) (Inspection), if applicable. If the Vessel is taken over without inspection, the date of this Agreement shall be the relevant date. 226
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~~*(a) and (b) are alternatives, delete whichever is not applicable. In the absence of deletions alternative (a) shall apply.~~ 229
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8. Documentation Conditions Precedent 231

The place of closing: **London** 232

(a) ~~In exchange for~~ **P**payment of the Purchase Price **(less the Seller's Credit) is conditional upon** the Sellers ~~shall provide~~ **ing** the Buyers with the following delivery documents: 233
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(i) Legal Bill(s) of Sale in a form recordable in the Buyers' Nominated Flag State, transferring title of the Vessel and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever, duly notarially attested and legalised or apostilled, as required by the Buyers' Nominated Flag State; 235
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(ii) Evidence that all necessary corporate, shareholder and other action has been taken by the Sellers to authorise the execution, delivery and performance of this Agreement; 239
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(iii) Power of Attorney of the Sellers appointing one or more representatives to act on behalf of the Sellers in the performance of this Agreement, duly notarially attested and legalised or apostilled (as appropriate); 241
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(iv) Certificate or Transcript of Registry issued by the competent authorities of the flag state on the date of delivery evidencing the Sellers' ownership of the Vessel and that the Vessel is free from registered encumbrances and mortgages, to be faxed or e-mailed by such authority to the closing meeting with the original to be sent to the Buyers as soon as possible after delivery of the Vessel; 244
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(v) Declaration of Class or (depending on the Classification Society) a Class Maintenance Certificate issued within three (3) Banking Days prior to delivery confirming that the Vessel is in Class free of condition/recommendation; 249
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~~(vi) Certificate of Deletion of the Vessel from the Vessel's registry or other official evidence of deletion appropriate to the Vessel's registry at the time of delivery, or, in the event that the registry does not as a matter of practice issue such documentation immediately, a written undertaking by the Sellers to effect deletion from the Vessel's registry forthwith and provide a certificate or other official evidence of deletion to the Buyers promptly and latest within four (4) weeks after the Purchase Price has been paid and the Vessel has been delivered;~~ 252
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~~(vii) A copy of the Vessel's Continuous Synopsis Record certifying the date on which the Vessel ceased to be registered with the Vessel's registry, or, in the event that the registry does not as a matter of practice issue such certificate immediately, a written undertaking from the Sellers to provide the copy of this certificate promptly upon it being issued~~ 259
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together with evidence of submission by the Sellers of a duly executed Form 2 stating
the date on which the Vessel shall cease to be registered with the Vessel's registry;

- (viii) Commercial Invoice for the Vessel;
- (ix) Commercial Invoice(s) for bunkers, lubricating and hydraulic oils and greases;
- (x) A copy of the Sellers' letter to their satellite communication provider cancelling the Vessel's communications contract which is to be sent immediately after delivery of the Vessel;
- (vixi) Any additional documents as may reasonably be required by the competent authorities of the Buyers' Nominated Flag State for the purpose of registering the Vessel, provided the Buyers notify the Sellers of any such documents as soon as possible after the date of this Agreement **but in any event not later than fifteen (15) Banking Dates prior to the proposed Delivery Date; and**
- (xii) The Sellers' letter of confirmation that to the best of their knowledge, the Vessel is not black listed by any nation or international organisation;
- (ix) **The Seller's Credit Agreement duly signed by the Sellers;**
- (x) **A certificate from a director / officer of the Sellers confirming that all copies of documents provided under this Agreement are true copies of such documents; and**
- (xi) **The Buyers being satisfied that, in their opinion, the conditions precedent set out in the Bareboat Charter have been satisfied on the Delivery Date.**

The conditions set out in this Clause 8(a) are for the sole benefit of the Buyers and may be waived or deferred by the Buyers in whole or in part and with or without conditions. The foregoing is without prejudice to the Buyers' rights to require fulfilment of any such conditions by the Sellers in whole or in part at any time after the date of payment or release of the Purchase Price (less the Seller's Credit).

- (b) At the time of delivery the Buyers shall provide the Sellers with:
 - (i) Evidence that all necessary corporate, shareholder and other action has been taken by the Buyers to authorise the execution, delivery and performance of this Agreement; **and**
 - (ii) Power of Attorney of the Buyers appointing one or more representatives to act on behalf of the Buyers in the performance of this Agreement, duly notarially attested and legalised or apostilled (as appropriate);
 - (iii) **The Seller's Credit Agreement duly signed by the Buyers; and**
 - (iv) **Provided that, in the Buyers' opinion, Clause 8(a)(xi) above has been satisfied at the time of delivery, written confirmation from the Buyers addressed to the Sellers that the conditions precedent set out in the Bareboat Charter have been satisfied on the Delivery Date.**

(c) If any of the documents listed in Sub-clauses (a) and (b) above are not in the English language they shall be accompanied by an English translation by an authorised translator or certified by a lawyer qualified to practice in the country of the translated language.

(d) The Parties shall to the extent possible exchange copies, drafts or samples of the documents listed in Sub-clause (a) and Sub-clause (b) above for review and comment by the other party not later than _____ (state number of days), or if left blank, nine (9) days prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement.

(e) Concurrent with the exchange of documents in Sub-clause (a) and Sub-clause (b) above, ~~the Sellers shall also hand to the Buyers~~ **shall gain title and ownership to** the classification certificate(s) as well as all plans, drawings and manuals, ~~(excluding ISM/ISPS manuals),~~ which are on board the Vessel **and shall remain on board the Vessel.** Other certificates which are on board the Vessel shall also be handed over to the Buyers unless the Sellers are required to retain same, in which case the Buyers have the right to take copies.

(f) Other technical documentation which may be in the Sellers' possession shall promptly after delivery be forwarded to the Buyers at their expense, if they so request. The Sellers may keep

the Vessel's log books but the Buyers have the right to take copies of same. 297

(g) The Parties shall sign and deliver to each other a Protocol of Delivery and Acceptance 298
confirming the date and time of delivery of the Vessel from the Sellers to the Buyers. 299

9. **Encumbrances** 300

The Sellers warrant that the Vessel, at the time of delivery, is free from all charters **(other than the Bareboat Charter and the Sub-Charter)**, 301

encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject 302
to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the 303
Buyers against all consequences of claims made against the Vessel which have been incurred 304
prior to the time of delivery. 305

10. **Taxes, fees and expenses** 306

Any taxes, fees and expenses in connection with the purchase and registration in the Buyers' 307
Nominated Flag State shall be for the **Buyers'-Sellers'** account, whereas similar charges in connection 308
with the closing of the Sellers' register shall be for the Sellers' account. 309

11. **Condition on delivery** 310

The Vessel with everything belonging to her shall be at the Sellers' risk and expense until she is 311
delivered to the Buyers, but subject to the terms and conditions of this Agreement she shall be 312
delivered and taken over **"as she was is where is"** at the time of **inspection, fair wear and tear** 313
excepted delivery.

However, the Vessel shall be delivered **free of cargo and** free of stowaways with her Class 314
maintained without condition/recommendation*, free of average damage affecting the Vessel's 315
class, and with her classification certificates and national certificates, as well as all other 316
certificates the Vessel had at the time of **inspection delivery**, valid and unextended without 317
condition/recommendation* by the Classification Society or the relevant authorities at the time 318
of delivery. 319

"inspection" in this **Clause 11**, shall mean the Buyers' inspection according to **Clause 4(a) or** 320
4(b) (Inspections), if applicable. If the Vessel is taken over without inspection, the date of this 321
Agreement shall be the relevant date. 322

See also Additional Clause 20 (Delivery under Bareboat Charter)

**Notes and memoranda, if any, in the surveyor's report which are accepted by the Classification 323
Society without condition/recommendation are not to be taken into account. 324*

12. **Name/markings** 325

Upon delivery the Buyers undertake to change the name of the Vessel and alter funnel 326
markings. 327

13. **Buyers' default** 328

Should the Deposit not be lodged in accordance with **Clause 2 (Deposit)**, the Sellers have the 329
right to cancel this Agreement, and they shall be entitled to claim compensation for their losses 330
and for all expenses incurred together with interest. 331

Should the Purchase Price **(less the Seller's Credit)** not be paid in accordance with **Clause 321** 332
(Payment), the Sellers
have the right to cancel this Agreement, in which case the Deposit together with interest 333
earned, if any, shall be released to the Sellers. If the Deposit does not cover their loss, the 334
Sellers shall be entitled to claim further compensation for their losses and for all expenses 335
incurred together with interest. 336

14. **Sellers' default** 337

Should the Sellers **fail to give Notice of Readiness in accordance with Clause 5(b) or** fail to be 338
ready to validly complete a legal transfer by the Cancelling Date the Buyers shall have the 339
option of cancelling this Agreement. **If after Notice of Readiness has been given but before** 340
the Buyers have taken delivery, the Vessel ceases to be physically ready for delivery and is not 341
made physically ready again by the Cancelling Date and new Notice of Readiness given, the 342
Buyers shall retain their option to cancel. In the event that the Buyers elect to cancel this 343
Agreement, the Deposit together with interest earned, if any, shall be released to them 344
immediately. 345

Should the Sellers **fail to give Notice of Readiness by the Cancelling Date or** fail to be ready to 346
validly complete a legal transfer as aforesaid they shall make due compensation to the Buyers 347
for their loss and for all expenses together with interest if their failure is due to proven 348
negligence and whether or not the Buyers cancel this Agreement. 349

15. **Buyers' representatives** 350

After this Agreement has been signed by the Parties and the Deposit has been lodged, the 351

Buyers have the right to place two (2) representatives on board the Vessel at their sole risk and expense. 352
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These representatives are on board for the purpose of familiarisation and in the capacity of observers only, and they shall not interfere in any respect with the operation of the Vessel. The Buyers and the Buyers' representatives shall sign the Sellers' P&I Club's standard letter of indemnity prior to their embarkation. 354
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16. Law and Arbitration 358

(a) *This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause. 359
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The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced. 363
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The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both Parties as if the sole arbitrator had been appointed by agreement. 366
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In cases where neither the claim nor any counterclaim exceeds the sum of US\$100,000 the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced. 376
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~~(b) *This Agreement shall be governed by and construed in accordance with Title 9 of the United States Code and the substantive law (not including the choice of law rules) of the State of New York and any dispute arising out of or in connection with this Agreement shall be referred to three (3) persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~ 379
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~~In cases where neither the claim nor any counterclaim exceeds the sum of US\$ 100,000 the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc.~~ 387
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~~(c) This Agreement shall be governed by and construed in accordance with the laws of _____ (state place) and any dispute arising out of or in connection with this Agreement shall be referred to arbitration at _____ (state place), subject to the procedures applicable there.~~ 390
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~~*16(a), 16(b) and 16(c) are alternatives; delete whichever is not applicable. In the absence of deletions, alternative 16(a) shall apply.~~ 393
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17. Notices 395

All notices to be provided under this Agreement shall be in writing. 396

Contact details for recipients of notices are as follows: 397

For the Buyers: 398

c/o Oaktree Capital Management, L.P.
333 South Grand Avenue
Los Angeles
CA 90071
United States of America

with a copy to:

Oaktree Capital Management (Europe) LLP of Verde
10 Bressenden Place
London
England

SW1E 5DH

Email:

info@fleetscape.com / accounting@fleetscape.com / jbaker@fleetscape.com

For the Sellers:

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Levent Mah.

Comert Sokak

YKB Plaza A Blok K. 18

34330 Levent

Istanbul

Turkey

Fax: +90 212 325 5814

18. Entire Agreement

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The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the Parties in relation thereto.

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Each of the Parties acknowledges that in entering into this Agreement it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as is expressly set out in this Agreement.

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Any terms implied into this Agreement by any applicable statute or law are hereby excluded to the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude any liability for fraud.

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For and on behalf of the Sellers

Advantage Spring Shipping LLC

Name: Kivanc Kanan

Title: Attorney in fact



For and on behalf of the Buyers

Fleetscape Spring, LLC

Name: _____

Title: _____ **Jennifer Ashford**
Attorney in fact

ADDITIONAL CLAUSES
TO MEMORANDUM OF AGREEMENT FOR
m.v. "ADVANTAGE SPRING"

19. Sellers' representation

The Sellers represent and warrant as at the date hereof and on the Delivery Date that:

- (a) they are the registered legal owners of the Vessel;
- (b) they are not a Prohibited Person; and
- (c) neither themselves nor any of their directors, officers or employees or any person acting on their behalf has received notice or are aware of any claim, action, suit, proceeding or investigation against any of them or the Vessel with respect to Sanctions by a Sanctions Authority.

20. Delivery under Bareboat Charter

- (a) Immediately after the delivery of the Vessel under this Agreement, the Vessel shall be delivered to the Sellers as charterers pursuant a bareboat charterparty dated on or about the date of this Agreement (the "**Bareboat Charter**") made or to be made (as the case may be) between the Buyers (as owners) and the Sellers (as charterers).
- (b) The Sellers shall be fully responsible for the Buyers' fulfilment of physical delivery as new owner of the Vessel to the Sellers (as charterers) under the Bareboat Charter. The Buyers' obligation to take delivery of the Vessel under this Agreement is subject to the Sellers (as charterers) taking delivery of the Vessel immediately thereafter under the Bareboat Charter. Without prejudice to the foregoing, the Sellers' obligation to deliver the Vessel under this Agreement is subject to the Buyers delivering the same under the Bareboat Charter immediately after taking delivery of the Vessel under this Agreement.
- (c) If the Bareboat Charter is cancelled, terminated or otherwise ceases to be in full force and effect prior to the delivery of the Vessel under this Agreement or the delivery of the Vessel does not take place under the Bareboat Charter by the Cancelling Date, this Agreement shall be null and void, provided however that (i) Clause 13 (Buyers' default) shall survive and entitle the Sellers to compensation for its losses and expenses due to the default of the Buyers and (ii) Clause 14 (Sellers' default) shall survive and entitle the Buyers to compensation for its losses and expenses due to the default of the Sellers.

21. Payment

- (a) The Sellers and the Buyers agree that the Purchase Price less the Seller's Credit shall be paid by the Buyers free of bank charges, any deduction Taxes or withholding whatsoever as follows:
 - (A) if agreed by the Sellers' Bank, the Redemption Amount shall be transferred to the bank account of the Senior Agent's lawyers on or before two (2) Banking Days prior to the Delivery Date (the "**Prepositioning Date**") provided that on or before the Prepositioning Date the Senior Agent's lawyers shall issue a letter

of undertaking to the Buyers, the Senior Agent and the Sellers' Bank in a format acceptable to the Buyers and the Sellers setting out the basis on which the Senior Agent's lawyers shall hold and release the Redemption Amount, and the Redemption Amount shall be so released to the Sellers' Bank with value date as of the Delivery Date and if such manner is not agreed by the Sellers' Bank, in such other manner as may be agreed between the Buyers and the Sellers; and

- (B) on the Delivery Date any Surplus Cash shall be retained by the Sellers, the Guarantor or one or more of the Related Owners.
- (b) the Buyers' obligation to pay the Purchase Price is always subject to the Buyers being satisfied that:
 - (A) the conditions precedent required under Clause 8 (*Conditions Precedent*) (other than the conditions precedent required under paragraphs (a)(i), (a)(iv), (a)(v), (a)(vi), and (a)(x) of Clause 8 (*Conditions Precedent*), together the "Delivery Date CPs") have been received by the Buyers;
 - (B) the Delivery Date CPs will be received on or before the Delivery Date;
 - (C) the conditions precedent listed in Schedule 2, Part A, Part B and Part C of the Senior Loan Agreement have been satisfied or will be satisfied on or before the Delivery Date; and
 - (D) the Buyers have received:
 - (i) the Redemption Statement;
 - (ii) such evidence as the Buyers may require that the Advantage Group has or will have cash reserves of at least US\$13,000,000 on the later of (a) the Delivery Date of the Vessel and (b) the date of delivery of the final Related Vessel to be delivered under a Related MOA;
 - (iii) a certificate duly signed by the chief executive officer or chief financial officer of the Sellers attaching:
 - (1) the unaudited financial statements of the Sellers and the unaudited consolidated financial statements of the Guarantor for the financial quarter ended 30 September 2018;
 - (2) a statement of the cash position of the Sellers; and
 - (3) such other financial information in relation to the Sellers or the Guarantor as the Buyers may reasonably request.
- (c) The Sellers agree to release, discharge, defend, indemnify, waive and hold harmless the Buyers from and against any liability, obligation or claim which may be asserted, claimed or recovered against the Buyers for any reason directly arising out of or in any manner connected with the release or the failure to release (as the

case may be) of the Redemption Amount by the Sellers' Bank (as provided for in paragraph (a) above) except if the same solely results from or is a direct consequence of the Buyers' failure to perform their obligations under or in breach of any provisions under this Agreement or the Bareboat Charter.

- (d) If for any reason any part of the Redemption Amount paid to the Sellers' Bank by the Buyers is neither released in accordance with paragraph (b) above nor returned to the Buyers or (as the case may be) an Agent within five (5) Banking Days after the Cancelling Date, the Sellers shall refund to the Buyers or (as the case may be) an Agent that part of the Redemption Amount within six (6) Banking Days after the Cancelling Date.

22. Further definitions

22.1 In this Agreement:

"Delivery Date" means the date of delivery of the Vessel by the Sellers to the Buyers pursuant to this Agreement.

"Prohibited Person" means any person or entity, whether or not having a separate legal personality (a **"Person"**), whether designated by name or by reason of being included in a class of persons, that is, or that is owned or controlled by Persons that are or any vessel that is:

- (a) listed on, or directly or indirectly owned or controlled by a Person listed on, a Sanctions List, or a person acting on behalf of such a Person;
- (b) located or resident in, incorporated or organised under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a Person located or resident in a country or territory that is or whose government is the subject of Sanctions, broadly prohibiting dealings with such government, country or territory including country or territory wide Sanctions and in each case thereby itself becomes the target of such Sanctions;
- (c) otherwise a target of Sanctions (**"target of Sanctions"**, for the purpose of this paragraph (c), amongst other things, signifying a Person with whom a US Person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities or against whom Sanctions are otherwise directed); or
- (d) acting or purporting to act on behalf of any of the Persons listed in paragraphs (a) to (c) above with which any Finance Party is prohibited from (i) dealing or (ii) otherwise engaging in any transaction pursuant to Sanctions.

"Redemption Amount" means the amount owing by the Sellers to the Sellers' Bank in respect of the existing financing of the Vessel.

"Redemption Statement" means a statement issued by the Sellers' Bank to the Sellers evidencing the Redemption Amount or such other evidence of the Redemption Amount as is acceptable to the Buyers and the Agents (acting on the instructions of the relevant Lenders under the relevant Finance Documents) (acting reasonably).

"Sanctions" means any trade, economic or financial sanctions, laws, regulations, embargoes, freezing provisions, prohibitions or other restrictive measures imposed, administered, enacted or enforced from time to time by any Sanctions Authority.

"Sanctions Authority" means the US, including without limitation the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, the European Union or any of its member states, including without limitation the Federal Republic of Germany, including without limitation the German Bundesbank, Federal Ministry of Economics and Energy (*Bundesministerium für Wirtschaft und Energie*), the United Kingdom, including Her Majesty's Treasury of the United Kingdom, Switzerland, including without limitation the State Secretariat for Economic Affairs of Switzerland (SECO) or the Swiss Directorate of International Law (DIL), Japan or, without prejudice to the foregoing, any other relevant sanctions authority enacting, administering or imposing Sanctions applicable by law to any Finance Party or an Obligor.

"Sanctions List" means any list of specially designated nationals and blocked persons or designated persons or vessels, the Sectoral Sanctions Identification List or the List of Foreign Sanctions Evaders (or equivalent) or any similar list maintained by a Sanctions Authority as a measure of imposing, administering, enacting or enforcing Sanctions, in each case as amended, supplemented or substituted from time to time.

"Sectoral Sanctions Identification List" means a list identifying certain countries and/or certain persons operating in certain sectors of activity which are the subject of Sanctions (e.g. the sectoral sanctions identifications list published by the Office of Foreign Assets Control of the U.S. Department of the Treasury).

"Seller's Credit" means five million, five hundred and thirty five thousand US Dollars (US\$ 5,535,000) advanced by the Sellers to the Buyers as deferred payment of part of the purchase price of the Vessel pursuant to this Agreement and/or the principal amount thereof outstanding from time to time following any set-off pursuant to the Seller's Credit Agreement.

"Seller's Credit Agreement" means the seller's credit agreement dated on or around the date of this Agreement entered into between the Buyers and the Sellers pursuant to which the Sellers agreed to advance the Seller's Credit to the Buyers.

"Senior Finance Party" means a party defined as "Finance Party" under the Senior Loan Agreement from time to time and **"Senior Finance Parties"** means together all parties defined as "Finance Parties" under the Senior Loan Agreement from time to time.

"Senior Lender" means a party defined as "Lender" under the Senior Loan Agreement from time to time and **"Senior Lenders"** means together all parties defined as "Lenders" under the Senior Loan Agreement from time to time.

"Senior Loan" means a term loan facility in the total amount of up to one hundred and ninety million US Dollars (US\$190,000,000) to be made available by the Senior Lenders to, among others, the Buyers under the Senior Loan Agreement to, among other things, assist the Buyers in financing the Purchase Price.

"Senior Loan Agreement" means an agreement dated on or around the date of this Agreement entered into between, among others, the Buyers and the Senior Finance Parties pursuant to which the Senior Loan will be made available to, among others, the Buyers (as such agreement may be amended, restated, supplemented or varied from time to time).

"Surplus Cash" means the amount by which the Purchase Price exceeds the Redemption Amount, and if the Redemption Amount exceeds the Purchase Price the Surplus Cash shall

be deemed zero.

"Trading Limits" means worldwide trading always within Institute Navigation Limits; always via safe/always afloat ice free port(s)/berth(s) excluding Cuba (unless the United States of America sanctions are lifted), Iran, North Korea, war/war risk countries and countries which result in blacklisting/sanctions by the United Nations, the United States of America, the United Kingdom or the European Union or its member states.

- 22.2 Unless otherwise specified in this Agreement, or unless the context otherwise requires, all words and expressions defined or explained in the Bareboat Charter shall have the same meanings when used in this Agreement.

In witness of which the parties to this Agreement have executed this Agreement the day and year first before written.

THE SELLERS

ADVANTAGE SPRING SHIPPING LLC

by:



Name: Kivanc Kanan
Title: Attorney in fact
Date: 1 February 2019

THE BUYERS

FLEETSCAPE SPRING, LLC

by:



Name:
Title:
Date: Jennifer Ashford
Attorney in fact
1 February 2019